



## Minutes

City of Flagstaff

Audit Committee

10:30 a.m. Tuesday, February 21, 2017

City Hall, Council Conference Room, 211 W Aspen Avenue

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**Call to Order:** 10:30 AM

### **I. Introductions**

Commission Members:	Dave Cospers, CPA	(present)
	Margaret Penado	(present)
City Staff:	Rick Tadder, Mgmt Services Director	(present)
	Robert Norton, Finance Manager	(present)
	Charlie Odegaard, City Council	(present)
	Brandi Suda	(absent)
Consultants:	Dennis Osuch,	(present)
	Brian Lehrich,	(present)

### **II. Public Participation**

No members of the public were in attendance

### **III. Overview/Discussion of Fiscal Year 2016 Audit**

- New Auditor – Clifton Larson Allen
- Rick Tadder mentioned and gave kuddo's to Brandi Suda/Robert Norton along with the other members of the Finance team for stepping up and for the timely reports out on time especially with all of the changes in leadership and vacancies.
- Dennis Osuch, started off by the number of hours budgeted vs actual hours spent.
  - Total hours actual spent 840 / Budgeted 650 hours
    - Due to 1<sup>st</sup> year, getting to know staff, who to go to for what information, and filing systems.
- Most significant change for FY 2016
  - GASB 72 – implemented Fair Value of Investment Reporting
- Management Letters- IT related recommendations
  - Excessive Privileges, IT Policies, Password Configuration, Disaster Recovery Plan, and Proactive Monitoring
    - Rick T-mentioned the reasoning for specific vendors to have access is for quick responses since we are still implementing software for

HR/Payroll; and that IT is currently working on a Formal Disaster Recovery Plan that should be worked out by early March 2017.

- Reports Remaining to be issued:
  - Annual Exenditure Limitaion Report – expected March 2017  
Status – waiting for AELR from city management
  - Landfill Assurance Report – expected March 2017  
Status – work complete
  - HUD REAC Submission certification – expected March 2017  
Status – in process

#### **IV. Vote to Accept Reports**

- Rick Tadder to approve Annual Financial Reports
  - Dave Cosper moved to accept
  - Charlie Odegaard 2<sup>nd</sup> the motion

The Motion was unanimously approved.

Finance will take to Council for Acceptance with in the next month.

#### **V. City of Flagstaff FY 2017 Audit Planning**

- Preliminary in June (1 week onsite)
- Final Fieldwork (2 weeks onsite)
- Letter in April – Detailed with key dates prior to preliminary/Fieldwork

#### **VI. Next Meeting Date and Topic of Discussion**

- Annual Meeting of Audit Committee, usually in January or February but if at any time need to meet feel free to contact Rick Tadder, Brandi Suda, Dennis Osuch or Brian Lehrich

#### **VII. Information**

- No new information presented

#### **VIII. Adjournment**

- Rick Tadder called to adjourn at 11:41 AM